



Republic of the Philippines  
 Department of Environment and Natural Resources  
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 E-mail: web@denr.gov.ph; Website: www.denr.gov.ph

**MEMORANDUM**

**TO :** **Bureau Directors**  
 BMB, ERDB, FMB and LMB  
  
**Regional Executive Directors**  
 DENR Regions 1-13, NCR and CAR  
  
**FROM :** **Assistant Secretary**  
 Finance, Information Systems and Mining Concerns  
  
**SUBJECT :** **SUBMISSION OF LATEST STATUS OF COMPLIANCE ON THE  
 CY 2021 CONSOLIDATED ANNUAL AUDIT REPORT (CAAR)**  
  
**DATE :** **DEC 16 2022**

This pertains to the Department's status of compliance to Commission on Audit (COA) CY 2021 Consolidated Annual Audit Report (CAAR) as of 31 October 2022, being monitored by the Financial and Management Service (FMS), to fully comply the remaining Not Implemented Audit Recommendations, as follows:

Particulars	No. of Observations	No. of Recommendations	Status of Implementation Not Implemented Recommendations		Breakdown of Not Implemented Recommendations	
			Fully Implemented	Not Implemented	Partially Implemented <sup>1</sup>	Not Implemented
<b>Part II. Current Year's Observations and Recommendations</b>						
• COA	27	63	-	63		63
• DENR	27	63	14 (22.23%)	49 (77.77%)	45 (71.43%)	4 (6.34%)
<b>Part III. Prior Years' Audit Recommendations</b>						
• COA	25	64	37 (57.81%)	27 (42.19%)		27 (42.19%)
• DENR	25	64	38 (59.37%)	26 (40.63%)	26 (40.63%)	0 (0%)

In this regard, you are hereby requested to submit the latest updates using the COA prescribed Agency Action Plan and Status of Implementation (AAPSI)<sup>1</sup> format following the instruction provided herein.

The AAPSI shall indicate the updates by recommendations provided in the CAAR observations. Reports submitted using an incorrect format/content (not using the prescribed template, Audit Observation Memorandum (AOM)/Management Letter (ML) file type, reports with unfilled "Status of Implementation" column) will not be considered.

The reports shall form part of the FY 2022 DENR Strategic Performance Management System as per Memorandum dated 22 March 2022 issued by OIC-Director, Planning and Policy

<sup>1</sup> Sec. 97. Report on Commission on Audit Findings and Recommendation. Within sixty (60) days from receipt of the COA Annual Audit Report, agencies concerned shall submit to the COA, either in printed form or by way of electronic document, a status report on the actions taken on said audit findings and recommendations using the prescribed form under COA Memorandum No. 2014-002 dated March 18, 2014. They shall likewise furnish the DBM, the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, a copy of said reports. R.A. No. 11639 – FY 2022 General Appropriations Act

Service and Performance Based-Bonus (PBB) requirements on the sustained Compliance with Audit Findings as provided under Annex 6 of Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems under Memorandum Circular No. 2022-1 dated March 24, 2022 quoted in full below:

*“Sustained Compliance w/ Audit Findings Fully implement 30% of the prior years’ audit recommendations as shown in the Report on Status of Implementation of Prior Years’ Recommendations. These recommendations will **exclude** the Property, Plant, and Equipment (PPE)-related items of the Annual Audit Report (AAR). Audit findings **closed** since FY 2020 should also **not recur**. The objective is to **improve** the agency’s internal control processes, enhance operational effectiveness, and **eliminate, resolve and remedy** most, if not all, of the agency **audit findings, by the end of 2022.**” (emphasis ours)*

The details of the status of compliance with link are as follows:

ANNEXES	DESCRIPTION	LINK
A	Status of Implementation Summary Chart	For viewing only – <a href="https://bit.ly/3Hx0gTr">https://bit.ly/3Hx0gTr</a>
B	Status of Implementation per Observation	
C	Status of Implementation by Office	
D	Status of Implementation of Financial Audit i) Accounting Errors and Omissions, and ii) Accounting Deficiencies	For viewing and updating – <a href="https://bit.ly/3YgLd6p">https://bit.ly/3YgLd6p</a>

The updates shall be submitted **not later than 21 December 2022** through email at [fms.mgt@denr.gov.ph](mailto:fms.mgt@denr.gov.ph) and shall be closed thereafter for consolidation and finalization.

For clarification on **ANNEXES A to C**, please contact Ms. Evelyn G. Nillosan, Chief Management Division or Ms. Anna Regina A. Vega at Tel. No. 8926-6998 or VoIP Nos. 1027 and 1028, while for **ANNEX D**, you may contact Mr. Francis Jan V. Castro of the Accounting Division at Tel. No. 8926-0254 or VoIP No. 1020.

For information and strict compliance.

  
 ENGR. NONITA S. CAGUIOA

Cc: Atty. Analiza Rebuelta-Teh  
Undersecretary for Finance, Information Systems  
and Climate Change

**DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES**  
**CY 2021 CONSOLIDATED ANNUAL AUDIT REPORT (CAAR)**  
**PART II - Observations and Recommendations**  
**DETAILS OF COMPLIANCE PER FINDINGS**  
**SUMMARY CHART**  
*as of 31 October 2022*

FINDINGS	STATUS			
	TOTAL NO. OF RECOMMENDATIONS	NUMBER OF FULLY IMPLEMENTED RECOMMENDATIONS	NUMBER OF PARTIALLY IMPLEMENTED	NUMBER OF NOT IMPLEMENTED RECOMMENDATIONS
<b>A. Financial Audit</b>				
1. Accounting errors/omissions and accounting deficiencies	5	0	5	0
<b>B. Compliance with Other Legal and Regulatory Requirements</b>				
2. Utilization of funds and	1	1		0
3. Reversion, closure and transfer of dormant cash, unauthorized accounts and unnecessary funds	1	0	1	
4. Receipt and deposit/remittance of collections and income	1	1		0

RECOMMEN- DATION Nos.	BREAKDOWN		
	FULLY IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED
a	CO, FMB, Regions 4A, 10, 13,	BMB, Regions 1, 2, 3, 4B, 6, 8, 9, 11, 12, CAR	Region 7,
b	Regions 2, 4A,	CO, Regions 4B, 5, 6, 9, 10, 11, 12, 13	LMB, CAR
c		Region 6	
d		CO	
e		Regions 6, 11	Regions 4B, 5
a	CO		
a	BMB, FMB, Regions 1, 11	CO, Regions 6, 8,	
a	Regions 2, 3, 12, CAR		

<b>5. Unrealized revenue on the use of foreshore lands</b>	<b>5</b>	<b>1</b>	<b>3</b>	<b>1</b>
<b>6. Unliquidated cash advances</b>	<b>5</b>	<b>1</b>	<b>3</b>	<b>1</b>
<b>7. Non-liquidation of fund transfers to Implementing Agencies (IAs)</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>0</b>
<b>8. Non-liquidation of advances to PS-DBM and PITC</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>
<b>9. Non-liquidation of fund transfers to NGOs/CSOs</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>
<b>10. Dormant accounts for write-off</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>

a	Regions 3, 6	Region 11	
b		Regions 6	
c		Regions 6, 11	Regions 3, 10, 13
d			Region 11
e	Region 13		
a	CO, Regions 6, 9, 12	LMB, Region 4B	FMB,
b	FMB, LMB, Regions 2, 4A, 5, 6, 7, 10, 13	Region 4B	Region 12
c	LMB, Regions 6,		Regions 9, 12
d			Region 12
e	Region 6		
a	CO		
b		BMB	
c	FAPs-INREMP - NPCO		
d	CO, NCR, ERDB, Regions 7, 11	BMB, LMB, Regions 1, 2, 4A, 6	Regions 3, 8, 9, 10
a	CO, ERDB, Region 2, NCR,	LMB, FMP-CPMO, Regions 5	FMB, Regions 3, 4A, 11
a	Regions 4A, 9, CAR	Regions 8, 10, 11	CO
b	Regions 4A, 10, 11, CAR	CO, Regions 8	Region 9,
a	ERDB, CAR, Region 11	LMB, Regions 6, 8,	CO, Regions 3, 4B, 10
b	ERDB, Region CAR	CO, LMB, Regions 6, 8, 11	Regions 3, 4B, 10,

<b>11. Non-insurance of physical assets with the GSIS</b>	<b>4</b>	<b>1</b>	<b>3</b>	<b>0</b>
<b>12. Non-disposal of unserviceable properties</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>
<b>13. Non-compliance with rules and regulations of the Procurement Law</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>
<b>14. Delayed/Non-submission of copy of government contracts and POs</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>
<b>15. Compliance with GSIS Law</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>
<b>16. Compliance with National Health Insurance Law</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>
<b>17. Compliance with Pag-IBIG Law</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>

a	CO, FMB, Region 8		PRCMO
b	CAR		
c	FMB, LMB, Regions 2, 3, 7, 12,	CAR, Region 6, 9	Regions 4B, 5
d	Region 6	CAR, Region 3,	FMB (INREMP)
a	CO, CAR, Region 3, 5, 11,	BMB, LMB, Regions 2, 6, 8,	Regions 1, 9, 10, 12, FASPs-FMP, INREMP
b	CO, FMB, Regions 1, 7,	Regions 2, 6, CAR	Regions 4B, 9
a	Regions 2, 4B, 5, 9, 10, 13	FAPS-FMP, Region 8	Region 1
a	CO, FAPS-FMP, FAPS-INREMP, CAR, Regions 1, 3, 6, 10, 13	Region 2, 12,	FMB, Regions 4B, 5, 8, 9, 11
b	CO, FMB, Regions 1, 6, 10, 13, CAR		FAPS-FMP, FAPS-INREMP, Region 2, 3
c	CO, FMB, Regions 3, 6, 10, 13, CAR	Region 1, 4B	FAPS-FMP, FAPS-INREMP,
a	NCR, Regions 1, 5, 13	Regions 4B, 6	Regions 2, 3, CAR,
a	Regions 4B, 6	Region 9	
b	Regions 5, CAR, NCR	Region 6,	Regions 4B, 8, 9
a	Regions R4B, R6	Region 9	
b	NCR, R8	CAR, Regions R5, R6	R3, R4B,

18. Compliance with Tax law and regulations	1	0	1	0
19. Hiring of and payments to job orders, contractual of service individuals	✓			
20. GAD Budget, Utilization and Accomplishments	4	2	2	0
21. Formulation and implementation of programs/activities for Senior Citizens and Persons with Disability (SCPD)	2	1	1	0
22. Receipt and utilization and implementation of FAPs and ODA Funded Projects	2	2	0	0
23. Receipt and utilization of Disaster Related Fund	✓			
24. Audit Suspension, Disallowances and Charges	3	0	3	0
25. Audit of Covid-19 Related Expenses	✓			

a	FAPs-FMP, FAPs-INREMP, Regions 8*, NCR	LMB, CAR, R6,	Regions 3, 4B
a	Regions 2, 4B, 5, 6, 8*, 10, 11, 12, NCR		
b		R8	
c	R2	CO	
d	NCR		
a	Regions 9, 10, 12, 13, NCR, CAR	LMB,	
b	CAR, R4B, R5, R8*, R9, R10		
a	FMP-CPMO & INREMP-NPCO		
b	FASPS		
a	CO, NCR, Regions 1, 6, 7	Regions 5, 11, 13	FMP, LMB, FMB, BMB, Regions 2, 3, 4A, 4B, 8, 9, 10, 12
b	NCR, Regions 1, 6, 7		CO, FMP, LMB, FMB, BMB, Regions 2, 3, 4A, 4B, 8, 9, 10, 12, 13
c	NCR	Region 5, 6, 7, 11	CO, FMP, LMB, FMB, BMB, Regions 1, 2, 3, 4A, 4B, 8, 9, 10, 12, 13

26. Idle/unused government property and equipment under the responsibility of the DENR Field Offices	5	2	2	1
27. Improper handling, custody and delayed disposition of confiscated forest products and conveyances	4	0	3	1
<b>TOTAL</b>	<b>63</b>	<b>14</b>	<b>45</b>	<b>4</b>
<b>% OF FULLY IMPLEMENTED RECOMMENDATIONS</b>	<b>22.22%</b>		<b>71.43%</b>	<b>6.35%</b>

✓ - Fully Implemented Findings as per Auditor's Validation

- CAAR 2021 Significant Findings

a		Region 5	
b		Region 5	
c			Region 6
d	Region 6		
e	Region 6		
a	Regions 3, 6, 10	Region 2, 7,	
b	Region 6	Regions 2, 7	Regions 3, 10
c	Region 6	Region 2, 3,	Regions 7, 10
d			CO

**DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES**  
**CY 2021 CONSOLIDATED ANNUAL AUDIT REPORT (CAAR)**  
**PART III - Status of Implementation on Prior Years' Audit Recommendations**  
**DETAILS OF COMPLIANCE PER FINDINGS**  
**SUMMARY CHART**  
*as of 31 October 2022*

FINDINGS	STATUS			
	TOTAL NO. OF RECOMMENDATIONS	NUMBER OF FULLY IMPLEMENTED	NUMBER OF PARTIALLY IMPLEMENTED	NUMBER OF NOT IMPLEMENTED RECOMMENDATIONS

A. Financial Audit				
1. Unadjusted/uncorrected accounting errors/omissions and accounting deficiencies	5	1	4	0

B. Compliance with Other Legal and Regulatory Requirements				
2. Overall Fund Utilization	2	2	0	0
3. Cash utilization/disbursements	3	3	0	0

RECOMMEN- DATION Nos.	BREAKDOWN		
	FULLY IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED

a	CO, BMB, FMB, LMB, CAR, R1, R2, R3, R4A, R4B, R5, R6, R7, R8, R9, R10, R11, R12, R13		
b	BMB, FMB, CAR, R1, R10, R12, R13	CO, LMB, R2, R3, R4A, R4B, R5, R6, R7, R8, R9, R11	
c	FMB, R1, R2, R4A, R4B, R5, R10, R11, R12, R13	CO, LMB, CAR, R3, R6, R7, R8, R9,	
d	CO, FMB, LMB, R4A, R4B, R5, R6, R7, R10, R9, R11, R12, R13, CAR	R1, R2, R3, R8,	
e	CO, BMB, FMB, LMB, CAR, R1, R3, R4B, R5, R6, R7, R8, R9, R10, R11, R12, R13	R2, R4A,	

a	CO		
b	CO (MBRP, ENGP, PCRMO), FAPs (FMP and INREMP)		
a (i)	R4B, R6, R11		
a (ii)	R4B		
b	R1		



FINDINGS	STATUS			
	TOTAL NO. OF RECOMMENDATIONS	NUMBER OF FULLY IMPLEMENTED	NUMBER OF PARTIALLY IMPLEMENTED	NUMBER OF NOT IMPLEMENTED RECOMMENDATIONS
4. Non-reversion of dormant cash, unauthorized accounts and unnecessary fund and non-enforcement of regulations on the use of foreshore lands	3	3	0	0
5. Non-enforcement of regulations on the use of foreshore lands	4	0	4	0
6. Non-liquidation of cash advances	6	3	3	0

BREAKDOWN			
RECOMMEN- DATION Nos.	FULLY IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED
a	FMB, CAR, R3, R4B, R7, R11, R12, R13		
b	FMB, CAR, R3, R4B, R7, R11, 12, R13		
c	R7, R12		
a (i)	R9, R10, R11	R5, R6,	
a (ii)	R5, R9, R10, R11	R6,	
b	R10	R6	
c		R11	
a (i)	FAPs (FMP, INREMP), ERDB, LMB, R2, R3, R4B, R5, R6, R8, R9, R13	CO, R10, R12,	
a (ii)	FAPs (FMP, INREMP), ERDB, LMB, R2, R3, R4B, R5, R6, R8, R10, R13	CO, R9, R12	
a (iii)	FAPs (FMP, INREMP), ERDB, R2, R3, R4B, R5, R6, R8, R9, R10, R13	CO, LMB, R12	
b	CO, FAPs (FMP, INREMP), ERDB, LMB, R2, R3, R4B, R5, R6, R8, R9, R10, R12, R13		
c	CO, FAPs (FMP, INREMP), ERDB, LMB, R2, R3, R4B, R5, R6, R8, R9, R10, R12, R13		
d	CO, FAPs (FMP, INREMP), ERDB, LMB, R2, R3, R4B, R5, R6, R8, R10, R9, R12, R13		

FINDINGS	STATUS			
	TOTAL NO. OF RECOMMENDATIONS	NUMBER OF FULLY IMPLEMENTED	NUMBER OF PARTIALLY IMPLEMENTED	NUMBER OF NOT IMPLEMENTED RECOMMENDATIONS
7. Non-liquidation of fund transfers to Implementing Agencies (IAs) and NGOs/POs	2	1	1	0
8. Advances to PS-DBM and PITC	2	1	1	0
9. Dormant receivable not requested for write-off	3	1	2	0
10. Non-insurance of physical assets with the GSIS	1	1	0	0
11. Non-disposal of unserviceable property	1	0	1	0
12. Improper handling, custody and delayed disposition of confiscated products and conveyances	4	2	2	0

BREAKDOWN			
RECOMMEN-DATION Nos.	FULLY IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED
a	FMB, NCR, R1, R2, R4B, R5, R7, R8, R9, R10, R11, R13	CO, FAPs (INREMP), BMB, LMB, CAR, R3, R4A, R6	
b	CO, FAPs (INREMP), BMB, FMB, LMB, R1, NCR, R2, R3, R4A, R4B, R5, R6, R7, R8, R9, R10, R11, R13, CAR		
a	CO, FMB, CAR, R1, R2, R3, R4B, R7,	LMB, NCR, R5, R11, R13	
b	CO, R2, R3		
a	CAR, R1, R3, R6, R7	CO, LMB, R4B, R11	
b	CO, LMB, CAR, R1, R3, R4B, R6, R7, R11		
c	R1, R6, R7, R11	CO, LMB, CAR, R3, R4A, R4B,	
a	FAPs (FMP & INREMP), BMB, ERDB, FMB, LMB, NCR, CAR, R1, R2, R3, R4A, R4B, R5, R6, R7, R8, R9, R10, R11, R12, R13		
a	CO, CAR, ERDB, FMB, R1, R2, R5, R6, R7, R10, R13	FAPs (FMP, INREMP), BMB, LMB, R3, R4A, R4B, R9, R11,	
a	CO, R1, R3, R5, R6, R8, R9, R11		R2, R7
b	CO, R1, R2, R3, R5, R6, R7, R8, R9		
c	CO, R1, R2, R3, R5, R6, R7, R8, R9		
d	R2, R5		CO, R9

FINDINGS	STATUS			
	TOTAL NO. OF RECOMMENDATIONS	NUMBER OF FULLY IMPLEMENTED	NUMBER OF PARTIALLY IMPLEMENTED	NUMBER OF NOT IMPLEMENTED RECOMMENDATIONS
13. Idle/unused government property and equipment under the responsibility of the DENR Field Offices	5	4	1	0
14. Delayed/Non-submission of copy of government contracts	1	0	1	0
15. Proper withholding and timely remittance of GSIS contributions and loans	1	0	1	0
16. Withholding and remittance of PhilHealth contributions and employer's share	2	0	2	0
17. Proper withholding and timely remittance of Pag-IBIG contributions and loans	1	0	1	0
18. Non-allocation and/or utilization of fund for GAD programs/activities	4	3	1	0
19. Non-allocation and/or utilization of fund for SCPD programs/activities	2	2	0	0
20. Receipt and utilization of Disaster Related Fund	2	2	0	0

BREAKDOWN			
RECOMMEN-DATION Nos.	FULLY IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED
a	R6		
b	R6		
c	CAR		
d	R11		
e		R12	
a	CO, BMB, FMB, CAR, R1, R3, R4B, R5, R6, R7, R8, R9, R11, R12, R13	FAPs (FMP, INREMP), LMB, R2	
a	NCR, CAR, R9, R11	FMB, R6,	LMB, R4B, R5, R7
a	R5	FMB, R6	LMB,
b	R6	FMB,	LMB, R5
a	NCR, R11		FMB, LMB, R5, R6
a	CO, BMB, LMB, NCR, R1, R3, R4B, R8, R9, R11, R12, R13		
b	BMB, NCR, R1, R9, R11, R13		CO, LMB, R3, R4B, R8, R12
c	CO, BMB, LMB, NCR, R1, R3, R4B, R8, R9, R11, R12, R13		
d	CO, BMB, LMB, NCR, R1, R3, R4B, R8, R9, R11, R12, R13		
a	R2, R4B, R8, R9, R12		
b	R4B		
a	R10		
b	R10		

FINDINGS	STATUS			
	TOTAL NO. OF RECOMMENDATIONS	NUMBER OF FULLY IMPLEMENTED	NUMBER OF PARTIALLY IMPLEMENTED	NUMBER OF NOT IMPLEMENTED RECOMMENDATIONS
21. Audit Suspension, Disallowances, Charges and Settlement	2	1	1	0

COVID 19 CY 2020 ML

22. The re-allocated amount of CO, two staff Bureaus, 11 Regional Offices and 52 PENROs for COVID-19 initiatives amounting to P60, 035,247.22 were fully obligated, of which P59,122,244.43 or 98.48 percent was disbursed for the specified purpose. However, the utilization of funds under the regular budget for FY 2020 in 12 PENROs amounting to P4,669,073.85 in addition to the modified allotment were not covered by Modification Allotment Form (MAF) as required under Section 70 of RA No. 11465.	1	1	0	0
23. The procurement of personal protective equipment (PPE) and medicines/supplies amounting to P2,756,480.90 and P21,343,532.81 respectively, in CO, two staff Bureaus, 10 Regional Offices and 37 PENROs were compliant with Section 53 of the RIRR of RA No. 9184 and GPPB Circular No. 01-2020 except for the procurement of medicines/supplies in PENRO South Cotabato amounting to P187,941.75 was not supported with supplemental APP. Likewise, disbursement vouchers in the procurement of supplies/medicines in RO XI and four PENROs amounting to P1,327,106.03 were not submitted together with required supporting documents which precluded the prompt audit of accounts and transactions, early detection and correction of errors/deficiencies and timely reporting of the audit results.	2	2	0	0

BREAKDOWN			
RECOMMEN-DATION Nos.	FULLY IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED
a	CO, LMB, NCR, R1, R5, R6, R11		
b	NCR, R5,	R6,	LMB, R11

a	12 PENROS		
a	REGION 11, PENRO SOUTH COTABATO, FOUR PENROS		
b	REGION 11, PENRO SOUTH COTABATO, FOUR PENROS		

FINDINGS	STATUS			
	TOTAL NO. OF RECOMMENDATIONS	NUMBER OF FULLY IMPLEMENTED	NUMBER OF PARTIALLY IMPLEMENTED	NUMBER OF NOT IMPLEMENTED RECOMMENDATIONS
24. CO, LMB, four Ros and 33 PENROs complied with the rules and regulations in the grant of hazard pay amounting to P34,302,935.73. However, disbursements for Hazard Pay totaling P10,089,434.39 granted to permanent and job order personnel of ERDB, seven ROs and 19 PENROs were not duly supported with documents to sufficiently establish the authority and number of days of physical reporting for work, which is not in accordance with Section 2.b of AO No. 26 dated March 23, 2020, Items 4.3 and 4.4 of DBM Budget Circular No. 2020-01 dated March 24, 2020 and COA Circular No. 2012-001 dated June 14, 2012, thus rendering the propriety and validity of the payments doubtful.	3	3	0	0
25. Unsustainability of completed ODA funded projects	2	2	0	0
<b>TOTAL</b>	<b>64</b>	<b>38</b>	<b>26</b>	<b>0</b>
<b>% OF FULLY IMPLEMENTED RECOMMENDATIONS</b>	<b>59.38%</b>		<b>40.63%</b>	<b>0.00%</b>

BREAKDOWN			
RECOMMEN-DATION Nos.	FULLY IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED
a	SEVEN ROS AND 20 PENROS		
b	SEVEN ROS AND 20 PENROS		
c	SEVEN ROS AND 20 PENROS		
a	R3		
b	PENRO MASBATE		

- Fully Implemented Recommendations as per Auditor's Validation

**DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES  
CY 2021 CAAR**

**Part II –Observations and Recommendations  
Status of Implementation per Observation  
As of 31 October 2022**

No.	Audit Observation/Findings	No. of Recommendations	FI	PI	NI
<b>TOTAL</b>		<b>63</b>	<b>14</b> (22.23%)	<b>45</b> (71.43%)	<b>4</b> (6.34%)
1	Accounting errors/omissions and accounting deficiencies	5	0	5	0
2	Utilization of funds and disbursements	1	1	0	0
3	Reversion, closure and transfer of dormant cash, unauthorized accounts and unnecessary funds	1	0	1	0
4	Receipt and deposit/remittance of collections and income	1	1	0	0
5	Reversion, closure and transfer of dormant cash, unauthorized accounts and unnecessary funds	5	1	3	1
6	Unliquidated cash advances	5	1	3	1
7	Non-liquidation of fund transfers to Implementing Agencies (IAs)	4	2	2	0
8	Non-liquidation of advances to PS-DBM and PITC	1	0	1	0
9	Non-liquidation of fund transfers to NGOs/CSOs	2	0	2	0
10	Dormant accounts for write-off	2	0	2	0
11	Non-insurance of physical assets with the GSIS	4	1	3	0
12	Non-disposal of unserviceable properties	2	0	2	0
13	Non-compliance with rules and regulations of the Procurement Law	1	0	1	0
14	Delayed/Non-submission of government contracts and Pos	3	0	3	0
15	Compliance with GSIS Law	1	0	1	0
16	Compliance with National Health Insurance Law	2	0	2	0
17	Compliance with Pag-IBIG Law	2	0	2	0
18	Compliance with Tax law and regulations	1	0	1	0
19	Hiring of and payments to job orders and contract of service individuals	0			
20	GAD Budget, Utilization and Accomplishments	4	2	2	0
21	Formulation and implementation of programs/activities for Senior Citizens and Persons with Disability (SCPD)	2	1	1	0
22	Receipt and utilization and implementation of FAPs and ODA Funded Projects	2	2	0	0
23	Receipt and utilization of Disaster Related Fund	0			
24	Audit suspensions, disallowances and charges	3	0	3	0
25	Audit of COVID-19 Related Expenses	0			
26	Idle/unused government property and equipment under the responsibility of the DENR Field Offices	5	2	2	1
27	Improper handling, custody and delayed disposition of confiscated forest products and conveyances	4	0	3	1

**Legend:**

FI-Fully Implemented

PI- Partially Implemented

NI- Not Implemented

**DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES  
CY 2021 CAAR**

**Part III - Status of Implementation of Prior Years' Audit Recommendations  
Status of Implementation per Observation  
As of 31 October 2022**

No.	Audit Observation/Findings	No. of Recommendations	FI	PI	NI
<b>TOTAL</b>		<b>64</b>	<b>38</b> (59.38%)	<b>26</b> (40.62%)	<b>0</b>
1	Unadjusted/uncorrected accounting errors/omissions and accounting deficiencies	5	1	4	0
2	Overall Fund Utilization	2	2	0	0
3	Cash utilization/disbursements	3	3	0	0
4	Non-reversion of dormant cash, unauthorized accounts and unnecessary fund and non-enforcement of regulations on the use of foreshore lands	3	3	0	0
5	Non-enforcement of regulations on the use of foreshore lands	4	0	4	0
6	Non-liquidation of cash advances	6	3	3	0
7	Non-liquidation of fund transfers to Implementing Agencies (IAs) and NGOs/POs	2	1	1	0
8	Advances to PS-DBM and PITC	2	1	1	0
9	Dormant receivable not requested for write-off	3	1	2	0
10	Non-insurance of physical assets with the GSIS	1	1	0	0
11	Non-disposal of unserviceable property	1	0	1	0
12	Improper handling, custody and delayed disposition of confiscated products and conveyances	4	2	2	0
13	Idle/unused government property and equipment under the responsibility of the DENR Field Offices	5	4	1	0
14	Delayed/Non-submission of copy of government contracts	1	0	1	0
15	Proper withholding and timely remittance of GSIS contributions and loans	1	0	1	0
16	Withholding and remittance of PhilHealth contributions and employer's share	2	0	2	0
17	Proper withholding and timely remittance of Pag-IBIG contributions and loans	1	0	1	0
18	Non-allocation and/or utilization of fund for GAD programs/activities	4	3	1	0
19	Non-allocation and/or utilization of fund for SCPD programs/activities	2	2	0	0
20	Receipt and utilization of Disaster Related Fund	2	2	0	0
21	Audit Suspension, Disallowances, Charges and Settlement	2	1	1	0
<b>COVID 19 CY 2020 ML</b>					
22	Re-allocation of COVID-19 initiative funds	1	1	0	0
23	Procurement of Personal Protective Equipment and medicines/supplies	2	2	0	0
24	Hazard Pay	3	3	0	0
<b>CY 2018 CAAR Obs. No.7</b>					
25	Unsustainability of completed ODA funded projects	2	2	0	0

**Legend:**

**FI-** Fully Implemented

**PI-** Partially Implemented

**NI-** Not Implemented

**DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES  
CY 2021 CAAR**

**PART II - Observations and Recommendations**

**Status of Implementation per Office/Region**

**As of 31 October 2022**

Office	No. of Observations	No. of Recommendations	Status of Implementation					
			Fully Implemented		Partially Implemented		Not Implemented	
			No. of Recommendations	% of Compliance	No. of Recommendations	% of Compliance	No. of Recommendations	% of Compliance
CO	14	24	13	54.17%	6	25.00%	5	20.83%
BMB	5	8	1	12.50%	4	50.00%	3	37.50%
ERDB	3	4	4	100.00%	0	0.00%	0	0.00%
FMB	9	15	8	53.33%	0	0.00%	7	46.67%
LMB	10	15	3	20.00%	8	53.33%	4	26.67%
CAR	12	21	13	61.90%	6	28.57%	2	9.52%
NCR	9	12	12	100.00%	0	0.00%	0	0.00%
REGION 1	8	13	7	53.85%	3	23.08%	3	23.08%
REGION 2	13	21	8	38.10%	8	38.10%	5	23.81%
REGION 3	14	23	7	30.43%	3	13.04%	13	56.52%
REGION 4A	6	10	5	50.00%	1	10.00%	4	40.00%
REGION 4B	13	22	5	22.73%	5	22.73%	12	54.55%
REGION 5	14	17	7	41.18%	7	41.18%	3	17.65%
REGION 6	17	38	19	50.00%	18	47.37%	1	2.63%
REGION 7	7	11	6	54.55%	3	27.27%	2	18.18%
REGION 8	14	20	5	25.00%	9	45.00%	6	30.00%
REGION 9	12	20	5	25.00%	5	25.00%	10	50.00%
REGION 10	13	23	10	43.48%	2	8.70%	11	47.83%
REGION 11	11	18	6	33.33%	9	50.00%	3	16.67%
REGION 12	9	15	5	33.33%	3	20.00%	7	46.67%
REGION 13	8	14	8	57.14%	3	21.43%	3	21.43%
FAPs-INREMP - NPCO	1	1	1	100.00%	0	0.00%	0	0.00%
FMP-CPMO	2	2	1	50.00%	1	50.00%	0	0.00%
FAPs-FMP	4	6	2	33.33%	1	16.67%	3	50.00%
FAPs-INREMP	2	4	2	50.00%	0	0.00%	2	50.00%
INREMP-NPCO	1	1	1	100.00%	0	0.00%	0	0.00%
FASPS	1	1	1	100.00%	0	0.00%	0	0.00%
FMP	1	3	0	0.00%	0	0.00%	3	100.00%
PRCMO	1	1	0	0.00%	0	0.00%	1	100.00%



**DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES**

**CY 2021 CAAR**

**PART III - Prior Years' Audit Recommendations**

**Status of Implementation per Office/Region**

**As of 31 October 2022**

Office	No. of Observations	No. of Recommendations	Status of Implementation					
			Fully Implemented		Partially Implemented		Not Implemented	
			No. of Recommendations	% of Compliance	No. of Recommendations	% of Compliance	No. of Recommendation	% of Compliance
CO	11	31	21	67.74%	10	32.26%	0	0.00%
ERDB	2	7	7	100.00%	0	0.00%	0	0.00%
FMB	10	16	12	75.00%	4	25.00%	0	0.00%
LMB	13	30	17	56.67%	13	43.33%	0	0.00%
BMB	6	12	10	83.33%	2	16.67%	0	0.00%
CAR	10	18	15	83.33%	3	16.67%	0	0.00%
NCR	7	12	12	100.00%	0	0.00%	0	0.00%
Region 1	11	23	22	95.65%	1	4.35%	0	0.00%
Region 2	8	20	16	80.00%	3	15.00%	1	5.00%
Region 3	11	29	22	75.86%	6	20.69%	1	3.45%
Region 4-A	4	4	2	50.00%	2	50.00%	0	0.00%
Region 4-B	12	31	25	80.65%	5	16.13%	1	3.23%
Region 5	14	29	23	79.31%	4	13.79%	2	6.90%
Region 6	15	33	23	69.70%	10	30.30%	0	0.00%
Region 7	10	21	18	85.71%	2	9.52%	1	4.76%
Region 8	8	19	18	94.74%	0	0.00%	1	5.26%
Region 9	12	28	23	82.14%	5	17.86%	0	0.00%
Region 10	7	18	18	100.00%	0	0.00%	0	0.00%
Region 11	15	29	23	79.31%	6	20.69%	0	0.00%
Region 12	7	20	16	80.00%	4	20.00%	0	0.00%
Region 13	9	23	23	100.00%	0	0.00%	0	0.00%

Department of Environment and Natural Resources					
Accounting Errors and Omissions (CY 2021)					
As of November 30, 2022					
Region	Balance as of December 31, 2021	Adjustment / Action Taken January - November 2022	Balance as of November 30, 2022	% of compliance	Remarks
Central Office	71,440,452.92	0.00	71,440,452.92	0.00%	
FMB	5,860,514.34	5,860,514.34	0.00	100.00%	
BMB	1,713,549.76	0.00	1,713,549.76	0.00%	
CAR	466,501,338.36	206,306,216.68	260,195,121.68	44.22%	
Region 1	151,515,916.86	114,472,056.47	37,043,860.39	75.55%	
Region 2	1,195,793,523.16	347,203,581.68	848,589,941.48	29.04%	
Region 3	249,467,944.31	1,007,551.91	248,460,392.40	0.40%	
Region 4A	2,464,346.25	2,464,346.25	0.00	100.00%	
Region 4B	14,999,172.85	14,034,647.37	964,525.48	93.57%	
Region 6	446,542,293.76	314,421,038.90	132,121,254.86	70.41%	
Region 7	772,945.20	772,945.20	0.00	100.00%	
Region 8	248,364,163.44	248,364,163.44	0.00	100.00%	
Region 9	471,301,521.09	466,172,198.40	5,129,322.69	98.91%	
Region 10	13,395,735.20	13,395,735.20	0.00	100.00%	
Region 11	46,492,750.61	43,055,509.55	3,437,241.06	92.61%	
Region 12	56,779,835.58	25,139,903.50	31,640,932.08	44.27%	
Region 13	1,042,497,378.17	1,042,497,378.17	0.00	100.00%	
unreconciled	532,998.00	0.00	532,998.00	0.00%	
<b>Total</b>	<b>4,486,436,379.86</b>	<b>2,845,166,787.06</b>	<b>1,641,269,592.80</b>	<b>63.42%</b>	

Department of Environment and Natural Resources					
Accounting Deficiencies (CY 2021)					
As of November 30, 2022					
Region	Balance as of December 31, 2021	Adjustment / Action Taken January - November 2022	Balance as of November 30, 2022	% of compliance	Remarks
Central Office	572,829,171.23	173,972,926.44	398,856,244.79	30.37%	
BMB	124,467.75	124,467.75	0.00	100.00%	
LMB	24,394,668.23	1,055,751.11	23,338,917.12	4.33%	
CAR	88,962,374.85	12,924,506.59	76,037,868.26	14.53%	
Region 2	89,165,017.49	23,798,129.46	65,366,888.03	26.69%	
Region 3	253,532,576.39	6,372,675.89	247,159,900.50	2.51%	
Region 4A	5,195,047.79	5,195,047.79	0.00	100.00%	
Region 4B	302,972,236.68	222,296,018.41	80,676,218.27	73.37%	
Region 5	269,259,129.59	267,097,472.14	2,161,657.45	99.20%	
Region 6	606,520,553.59	468,044,165.72	138,476,387.87	77.17%	
Region 8	1,197,642,565.71	1,007,932,809.16	189,709,756.55	84.16%	
Region 9	191,324,844.55	52,964,373.12	138,360,471.43	27.68%	
Region 10	3,205,033.88	3,205,033.88	0.00	100.00%	
Region 11	120,949,887.86	25,084,296.40	95,865,591.46	20.74%	
Region 12	274,475,438.27	274,475,438.27	0.00	100.00%	
Region 13	47,746,468.20	47,746,468.20	0.00	100.00%	
unreconciled	9,911,952.25	0.00	9,911,952.25	0.00%	
<b>Total</b>	<b>4,058,211,434.31</b>	<b>2,592,289,580.33</b>	<b>1,465,921,853.98</b>	<b>63.88%</b>	

Department of Environment and Natural Resources							
Accounting Errors and Omissions (Prior Years)							
As of November 30, 2022							
Region	Balance as of December 31, 2021	Adjustment / Action Taken January - December 2021	Balance as of December 31, 2021	Adjustment / Action Taken January - November 2022	Balance as of November 30, 2022	% of compliance	Remarks
FMB	10,403,181.74	10,306,781.89	96,399.85	0.00	96,399.85	99.07%	
BMB	7,166,774.46	5,263,320.39	1,903,454.07	0.00	1,903,454.07	73.44%	
ERDB	493,665.54	493,665.54	0.00	0.00	0.00	100.00%	Implemented
CAR	240,814.05	239,816.25	997.80	0.00	997.80	99.59%	Remaining balance was due to One inventory item recorded twice in the RCPI provided to the audit
Region 1	17,711.88	17,711.88	0.00	0.00	0.00	100.00%	Implemented
Region 2	14,013,101.37	4,271,249.90	9,741,851.47	4,556,775.69	5,185,075.78	63.00%	
Region 3	28,740,453.88	28,740,453.88	0.00	0.00	0.00	100.00%	Implemented
Region 4A	319,212,496.76	1,783,877.75	317,428,619.01	304,680,786.00	12,747,833.01	96.01%	
Region 4B	13,838,855.36	2,353,932.48	11,484,922.88	2,998,830.10	8,486,092.78	38.68%	
Region 6	459,506,131.21	123,340,505.11	336,165,626.10	212,410,407.14	123,755,218.96	73.07%	
Region 7	3,177,767.39	33,723.78	3,144,043.61	0.00	3,144,043.61	1.06%	
Region 10	9,602,607.07	9,602,607.07	0.00	0.00	0.00	100.00%	Implemented
Region 11	1,813,188.24	582,813.20	1,230,375.04	0.00	1,230,375.04	32.14%	
Region 12	341,506,887.55	57,943,902.02	283,562,985.53	10,462,032.00	273,100,953.53	20.03%	
Region 13	7,184,314.81	6,701,797.54	482,517.27	482,517.27	0.00	100.00%	Implemented
unreconciled	7,000.00	0.00	7,000.00	0.00	7,000.00	0.00%	
<b>Total</b>	<b>1,216,924,951.31</b>	<b>251,676,158.68</b>	<b>965,248,792.63</b>	<b>535,591,348.20</b>	<b>429,657,444.43</b>	<b>20.68%</b>	

Department of Environment and Natural Resources							
Accounting Deficiencies (Prior Years)							
As of November 30, 2022							
Region	Balance as of December 31, 2021	Adjustment / Action Taken January - December 2021	Balance as of December 31, 2021	Adjustment / Action Taken January - November 2022	Balance as of November 30, 2022	% of compliance	Remarks
Central Office	1,132,849,679.03	113,311,711.72	1,019,537,967.31	163,450,850.98	856,087,116.33	24.43%	
BMB	6,107,741.35	6,107,741.35	0.00	0.00	0.00	100.00%	
FMB	157,892,554.01	46,062,300.04	111,830,253.97	0.00	111,830,253.97	29.17%	
LMB	61,426,731.26	10,000.00	61,416,731.26	0.00	61,416,731.26	0.02%	
CAR	206,102,785.59	178,749,054.94	27,353,730.65	14,710,585.02	12,643,145.63	93.87%	
NCR	464,817,012.34	463,511,681.06	1,305,331.28	85,367.22	1,219,964.06	99.74%	
Region 1	17,584,413.44	17,584,413.44	0.00	0.00	0.00	100.00%	
Region 2	61,529,628.65	20,378,170.82	41,151,457.83	0.00	41,151,457.83	33.12%	
Region 3	367,066,133.39	230,669,690.39	136,396,443.00	0.00	136,396,443.00	62.84%	
Region 4A	53,376,719.06	25,790,136.77	27,586,582.29	0.00	27,586,582.29	48.32%	
Region 4B	800,960,894.35	289,064,336.06	511,896,558.29	3,540,650.02	508,355,908.27	36.53%	
Region 5	137,634,580.07	55,985,743.97	81,648,836.10	81,648,836.10	0.00	100.00%	
Region 6	1,045,085,222.45	876,291,400.40	168,793,822.05	67,859,731.95	100,934,090.10	90.34%	
Region 7	189,747,221.52	28,702,967.42	161,044,254.10	9,175,843.73	151,868,410.37	19.96%	
Region 8	886,884,222.02	791,052,307.44	95,831,914.58	95,831,914.58	0.00	100.00%	
Region 9	98,312,953.78	30,514.75	98,282,439.03	0.00	98,282,439.03	0.03%	
Region 10	2,065,520,407.72	2,065,520,407.72	0.00	0.00	0.00	100.00%	
Region 11	2,219,636,805.27	27,524,369.39	2,192,112,435.88	131,914,135.28	2,060,198,300.60	7.18%	
Region 12	468,181,825.67	309,402,969.34	158,778,856.33	130,352,210.40	28,426,645.93	93.93%	
Region 13	2,870,080,856.75	1,159,884,892.90	1,710,195,963.85	1,710,195,963.85	0.00	100.00%	
unreconciled	80,121.09	0.00	80,121.09	0.00	80,121.09	0.00%	
<b>Total</b>	<b>13,310,878,608.81</b>	<b>6,705,634,809.92</b>	<b>6,605,243,798.89</b>	<b>2,408,766,089.13</b>	<b>4,196,477,709.76</b>	<b>50.38%</b>	